GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5120
ANSWERED ON:26.04.2002
SPLITTING OF NABARD
SUKDEO PASWAN

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to split NABARD into four entities for better working;

(b) whether the reserve Bank of India has made such a recommendation ;

(c) if so, the details thereof and the reaction of the Government thereto; and

(d) the other measures taken/proposed to be taken for better management of NABARD ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) and (b) No, Sir.

(c) Does not arise in view of above.

(d) In order to provide more operational flexibility to NABARD and to take care of the changes that are taking place in the financial sector, amendments to the NABARD Act were carried out recently which included, inter alia,increasing the authorized capital of NABARD from Rs.500 crore to Rs.5000 crore, changes in the composition oBoard of Directors to include more representatives of the State Governments,enabling NABARD to grant loans to State Governments as well as direct loans for projects on selective basis etc.